

# **FISCAL NOTE**

## **HB 47 – SB 363**

January 24, 2005

**SUMMARY OF BILL:** Requires all professional athletes and coaches to register with the Department of Commerce and Insurance prior to participation in any athletic event in Tennessee as a player or coach. A registration fee of \$100 would be required prior to participation in any athletic event in Tennessee and a registration card renewable each year would be issued. Such persons who are required to register shall also be required to pay the annual professional privilege tax. This bill changes the amount of professional privilege tax on all covered professions from \$400 annually to \$400 per \$100,000 of adjusted gross income annually.

### **ESTIMATED FISCAL IMPACT:**

**Increase State Revenues – Exceeds \$7,000,000**

**Increase State Expenditures –**

**\$186,300 Recurring / Dept. of Commerce & Insurance**

**\$17,900 One-Time / Dept. of Commerce & Insurance**

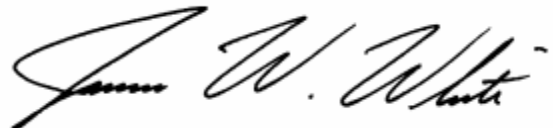
**\$65,600 One-Time / Dept. of Revenue**

#### **Assumptions:**

- An increase in state revenues from the collection of registration fees and the professional privilege tax.
- Registration fees would be collected each year upon renewal of registration card.
- Registration fees and the professional privilege tax would be collected from visiting, as well as Tennessee-based, athletes and coaches.
- At least 4,000 professional athletes and coaches would pay a \$100 registration fee and the annual professional privilege tax of \$400 per \$100,000 of adjusted gross income annually.
- An increase in state expenditures for two positions in the Department of Commerce and Insurance and related operational expenses.
- Revenues in excess of what is needed to fund the two positions and operational expenses of the Department of Commerce and Insurance will be deposited into the General Fund.

### **CERTIFICATION:**

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director